

OLSHAN

OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP

PARK AVENUE TOWER
65 EAST 55TH STREET
NEW YORK, NEW YORK 10022
TELEPHONE: 212.451.2300
FACSIMILE: 212.451.2222

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WWW.OLSHANLAW.COM

DIRECT DIAL: 212.451.2257
EMAIL: LMARKSESTERMAN@OLSHANLAW.COM

BY ELECTRONIC FILING

Hon. William H. Pauley, III, U.S. District Judge
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street, Room 2210
New York, New York 10007

Re: Synca Direct, Inc. v. Multimedia Dental Systems, Inc.
07 CV 6030 (WHP)

Dear Honorable Pauley:

We are counsel for plaintiff Synca Direct, Inc. ("Synca Direct") in the above-referenced action. We submit this letter jointly with counsel for defendant Multimedia Dental Systems, Inc. ("MMD") in advance of the conference scheduled for November 30, 2007.

Procedural History

This action is a copyright dispute concerning ownership of software. Synca Direct and MMD each develop, market and sell competing imaging software for use by dentists.

Synca Direct commenced this action in October 2006 in the Northern District of New York seeking a judgment declaring that its dental imaging software, known as CADIv4, does not infringe upon MMD's competing software, known as Mediadent v4.5. In November 2006, MMD filed and served an Answer with Counterclaims. In its Answer with Counterclaims, MMD added Synca Canada as an additional named defendant, and asserted counterclaims, including copyright infringement and unfair competition. In January 2007, the parties stipulated to a Preliminary Injunction Order being issued against Synca Direct.

The parties exchanged initial disclosures in March and April of 2007. MMD served a First Request for Production of Documents and Interrogatories in February 2007. In April 2007, Synca produced documents responsive to MMD's Requests, and served Responses to MMD's Interrogatories.

NEW JERSEY OFFICE
2001 ROUTE 46 / SUITE 202
PARSIPPANY, NEW JERSEY 07054
TELEPHONE: 973.331.7200
FACSIMILE: 973.331.7222

Substitutions of Counsel and Transfer of Venue

In May 2007, Synca Direct retained new counsel to represent it in this action. By Stipulation So Ordered May 11, 2007, Olshan Grundman Frome Rosenzweig & Wolosky LLP substituted as attorneys of record for plaintiff Synca Direct.

In May, 2007, MMD also retained new counsel to represent it in this action. By Notice of Substitution of Counsel, So Ordered May 17, 2007, Rivkin Radler, LLP substituted as attorneys of record for defendant MMD.

By Stipulation So Ordered June 19, 2007, venue for this action was transferred from the United States District Court, Northern District of New York to the United States District Court, Southern District of New York.

Additional Discovery/Applications

In May 2007, Synca Direct served a Request for Production of Documents and Notice of Deposition on MMD. MMD served Responses to the Request for Documents on August 31, 2007.

In September 2007, MMD served Notices of Deposition on Synca Direct.

In September 2007, MMD requested the Court to enter a default against Synca Canada for failure to appear.

Current Status

On November 16, 2007, counsel for Synca Direct and MMD participated in a conference call to discuss the status of the litigation.

The parties first discussed outstanding discovery issues. MMD will respond to Synca Direct's Request for Documents. Synca Direct will serve MMD with a supplement document production, and supplemental Responses to Interrogatories. The parties agreed to execute a Confidentiality Agreement before additional production.

After written discovery is completed, party depositions will be scheduled. The parties expect that non-party depositions will be needed at that point. Expert disclosure will be necessary in this case as well.

The parties then discussed potential settlement, but were unable to agree upon terms.

Finally, counsel for Synca Direct advised that Synca Direct intends to seek leave from the Court to file and serve an Amended Complaint to assert additional claims against MMD, including a claim to cancel MMD's copyright registration and a claim for copyright infringement.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lori Marks-Esterman", followed by a large, stylized flourish or scribble.

Lori Marks-Esterman

cc: Joseph K. Poc, Esq.
Counsel for Defendants